UNFUNDED MANDATES/90-Day Review Period

SUBJECT: Unfunded Mandate Reform Act of 1995 . . . S. 1. Byrd modified amendment No. 213.

ACTION: AMENDMENT AGREED TO, 100-0

SYNOPSIS: Pertinent votes on this legislation include Nos. 15-41, 43-45, 47-48, and 50-61.

As reported by the Governmental Affairs Committee and the Budget Committee, S. 1, the Unfunded Mandate Reform Act of 1995, will create 2 majority (51-vote) points of order in the Senate. The first will lie against the consideration of a bill or joint resolution reported by an authorizing committee if it contains mandates and if Congressional Budget Office (CBO) cost estimates on those mandates are unavailable. The second point of order will lie against the consideration of a bill, joint resolution, motion, amendment, or conference report that will cause the total cost of unfunded intergovernmental mandates in the legislation to exceed \$50 million.

The Byrd modified amendment would add procedures to be followed in the event that a Federal agency determined that funding provided for an intergovernmental mandate was insufficient to cover its estimated direct costs. If such a determination were made, an agency would have 30 days to notify Congress either: that it had reestimated the mandate's costs in consultation with the affected governments and had determined that the funding was sufficient because the original estimate was too high; or that the funding was insufficient. If the former notification were given, Congress would have 60 days in which to approve the reestimate by joint resolution, or the mandate would be suspended. If the later notification were given, the agency would either recommend reducing the mandate or suspending it for the remainder of the fiscal year. Congress would then have 60 days in which to enact legislation relative to the mandate or the mandate would be suspended.

Those favoring the amendment contended:

We do not believe that the Congressional Budget Office's (CBO's) estimates of the costs of intergovernmental mandates will be very accurate. History shows that CBO budget analysts, though they are the best in America, consistently make poor estimates when

(See other side) NAYS (0) **YEAS (100)** NOT VOTING (0) **Democrats Democrats Democrats** Republican Republicans Republicans (53 or 100%) (47 or 100%) (0 or 0%) (0 or 0%)(0)(0)Abraham Hutchison Akaka Hollings Ashcroft Inhofe Baucus Inouye Jeffords Bennett Biden Johnston Kassebaum Bond Bingaman Kennedy Brown Kempthorne Boxer Kerrey Burns Kyl Bradley Kerry Lott Chafee Breaux Kohl Bryan Lautenberg Coats Lugar Mack Cochran Bumpers Leahv Cohen McCain Bvrd Levin Coverdell Campbell McConnell Lieberman Craig Murkowski Mikulski Conrad Moseley-Braun D'Amato Nickles Daschle DeWine Packwood Dodd Moynihan Dorgan Dole Pressler Murray Domenici Roth Exon Nunn EXPLANATION OF ABSENCE: Faircloth Santorum Feingold Pell Frist Shelby Feinstein Pryor 1—Official Buisiness Gorton Simpson Ford Reid 2—Necessarily Absent Smith Glenn Robb Gramm 3—Illness Rockefeller Grams Snowe Graham 4—Other Grassley Specter Harkin Sarbanes Gregg Stevens Heflin Simon SYMBOLS: Hatch Thomas Wellstone AY—Announced Yea Hatfield Thompson AN-Announced Nav Helms Thurmond PY-Paired Yea Warner PN-Paired Nay

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they try to determine expected levels of Federal spending. Not only do they not hit those estimates on the head, they miss the nail. For instance, between 1980 and 1993 the CBO underestimated the yearly deficit by an average of \$34 billion. This record of inaccuracy will cause a very real problem under S. 1 as reported. Congress will fund intergovernmental mandates according to CBO estimates. If those estimates prove to be too low, then Congress, through no fault of its own, will have passed unfunded mandates. The problem is that under S. 1, when agencies find that they have been provided insufficient funds to pay for an intergovernmental mandate, they are required to suspend it. Thus, Congress will have its intent undone by an inaccurate CBO estimate. Further, in some cases we expect that over the years it will become cheaper to comply with a mandate, in which case Congress should not have to provide the same amount of money. However, under S. 1 as currently written, failing to provide enough money to cover the originally estimated yearly amount will require an agency to suspend a mandate. This requirement is nonsensical. The Byrd amendment provides a sensible alternative to this process. When Federal agencies find that CBO estimates are inaccurate or no longer accurate, as they undoubtedly often will, they will be required under the Byrd amendment to let Congress know so that it may take action if it so desires. This alternative is preferable to the language as reported, and merits our approval.

No arguments were expressed in opposition to the amendment.